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BY THE HOUSE OF DELEGATES,

February 9th, 1842.

Read and ordered to be printed.

R E P O R T

OF

T H E C O M M I T T E E

ON

I N S P E C T I O N S .

ANNAPOLIS:

WM. JOHNSTON, PRINTER.

.....
1842.

R E P O R T .

The committee on Inspections, to whom was referred the order adopted by this House on the 10th of January last, in pursuance of the instructions contained in said order, which are as follows, viz:

“That the Committee on Inspections be directed to proceed to Baltimore, to inquire and examine into the condition and usages of the Tobacco Inspection Warehouses in said city: whether a reduction of expenditures might not be made in said warehouses; and whether the present law regulating the sale of scrap tobacco might not be abolished with advantage to the interests of the State; and to make such general inquiries as may seem proper in reference to said warehouses. Also, ascertain whether a reduction in the price fixed by law for the inspection of ground plaster, might not be made, and to make such other inquiries and examination into the subject of inspections as they may deem proper, with power to send for persons and papers, and report to this House by bill or otherwise”—

Beg leave to make the following partial report:

That as directed by the order adopted by the House, they proceeded to Baltimore, visited, and have closely examined the condition of the Tobacco Warehouses. They found that the Warehouse No. 1, situated on the west side of McElderry's dock, of which John Waring is the inspector, is in a condition requiring the immediate attention of the Legislature, to arrest its progress to decay. A considerable portion of the upper part, and the parapet of the south wall has been thrown down, weakened by the weight and pressure of accumulated snows in the winter season, and is so much injured as to expose to danger that portion of the house. The injury has been suffered to exist without repair, in consequence of the absence of authority on the part of the Inspector make any repairs to the warehouse. The flooring of a portion of the upper stories of the house is so decayed, as to render it unsafe as a lodgment for so heavy an article as tobacco; and the roof in many places so decayed also, that it exposes the tobacco stored in the house to leakages and damage.

The house is in such condition that if permitted to remain as it is without repair, the evils and dangers complained of and here represented, cannot but increase in magnitude with time. Unsafe for storing tobacco, both before and after its inspection, it must appear manifest, in view of the importance of the interest to the State, an interest annually increasing, and this warehouse inspecting from 10,000 to 12,000 hogsheads yearly, that the house undergo the repairs here pointed out to render it in a proper condition for the prosecution of the purposes for which it is intended, and that it be done at once, before the activity of the spring business shall commence. Your committee have ascertained from the inspector the amount necessary to repair the house, furnished in an estimate by a practical mechanic, in which the cost is set down at \$1,400, and they recommend that the subject be attended to without delay.

The Warehouse No. 2, situated on the east side of Frederick street dock, of which Joseph S. Wilson is the inspector, is in good condition, excepting some trifling repairs which may be needed, which the committee are of opinion the inspector may be allowed to cause to have done, without any express authority.

The warehouse No. 3, situated on the west side of Light street wharf, and fronting on Conway street, of which Nicholas Dorsey is the inspector, is, in the opinion of the committee, in a worse condition than the Warehouse No. 1. The buildings are much older than any of the inspection houses, and have had no great deal of repair since they were built. There are two houses attached to this number of the inspection, and both of them are in a condition calling the immediate attention of the Legislature. The walls of one of the houses, used principally for the storage of tobacco after inspection, in consequence of the foundation not being piled, have settled, and in settling, have parted the masonry, in some places in considerable cavities. The house is at present very unsafe, and the flooring of both the houses, particularly the one in which the tobacco is inspected, should be laid anew. If the condition of the finances of the tobacco warehouse fund will justify the pulling down one of these houses, or so much of it as is necessary, and re-constructing both of them, so as throw them under one roof, and into one house, which the committee deem practicable, it would be ultimately a great saving to the fund, as the house then would hold about one-fourth more tobacco than do both now, and would avoid a heavy expenditure incurred by this house, as well as by the other inspection houses, through the necessity of storing out the inspected tobacco when there is a glut of tobacco in the market, which is done at this house almost every year. It would be advisable to set apart some portion of the warehouse's fund for this purpose, or have the work done, to be paid out of the receipts of the warehouse. An estimate has been furnished the committee of the probable cost of the repair of the warehouse, independent of the reconstruction above referred to, in which the amount is set down at \$900. These repairs are ne-

ecessary, and should at once be made, before the season arrives when the business of the warehouse would be interrupted.

The Warehouse No. 4, situated on the corner of Charles and Conway streets, of which Richard H. Griffith is the inspector, is the inspector, is in excellent order and condition, and at present needing no repairs whatever, having been built but a few years since, of the best materials and substantial construction.

When it is recollected that the tobacco inspection and trade is one of the most important interests of the State, with which the planting interest is closely identified, the committee think that these suggestions and recommendations should have favorable consideration, and that the repairs necessary to be done be speedily made. So large an interest as this needs the fostering care of the State to be extended over every department of it, and every thing connected with the facilitation of inspection. The city of Baltimore is becoming the great depot of the tobacco trade of this State, and of the West; and when the various works of internal improvement are completed, Maryland will occupy a position superior to her sister Atlantic States. Already the canals and rail roads of Pennsylvania are pouring into her lap the treasure and resources of the west, and much of the tobacco trade which formerly found its way to New Orleans, now, by these short methods of communication, is turned to Baltimore. The Western States, particularly Ohio, are embarking largely in the growth of this article, the most of which comes to our State, in consequence of the cheapness of transportation, and facility of transit. We have the nearest, most eligible and most profitable market for the product, and from information received, so rapid will be the increase of the business, that it is the opinion of some, from a consideration of the advantages possessed by our position, that ere long new inspection houses will have to be built. The western article of tobacco, being of a different quality from that of this State, while it adds to revenue, does not affect the planting interest of this State. The inspections of the year 1841 reached near the amount of 40,000 hogsheads.

The amount of shipments from the four warehouses during the year 1841 were large, and will show upon examination, the aspect of the trade, there being very little remaining on hand for spring shipments in comparison with the amount inspected. Below is a statement of the monthly shipments from each warehouse, from the 1st January 1841 to the same date 1842.

SHIPMENTS FROM WAREHOUSES.

Months.	No. 1.	No. 2.	No. 3.	No. 4.
January, - -		941	424	672
February, - -	700	287	599	637
March, - - -	298	220	274	253
April, - - -	294	422	170	148
May, - - -	1933	2177	1325	937
June, - - -	1035	1012	770	957
July, - - -	756	1165	743	1162
August, - - -	387	717	1146	1047
September, - -	464	895	827	1034
October, - - -	1522	1599	1281	1386
November, - -	852	935	752	737
December, - -	289	393	255	121
To January 27, 1842,	428	216	89	149
	8958	10979	8655	9240

Shipping at No. 1. 8958 hhds.

do. No. 2. 10979 "

do. No. 3. 8655 "

do. No. 4. 9240 "

37832 hhds. at all the warehouses.

The accounts and books of the several warehouses, though embracing a large amount, and minutely detailed in the exhibits, were attentively examined by the committee, and found to be correct. The committee have an account of the disbursements of each house, and would present them to the House, but that it would swell the report to an unreasonable magnitude. The heaviest items of expenditure are for labor, hire and nails, the latter of which alone averages about \$1,500 per annum for each warehouse. If it were possible for the nails used in these houses to be contracted for at a less price, and at the same time secure them of as good quality, a great saving might be made.

The hands of the different warehouses are much employed during the year in shaking out or conditioning stayed tobacco, and often without the knowledge of the inspector or his clerks. This practice, the committee believe, is at variance with what they conceive should be allowed, as it opens the door to fraud and dishonesty on the part of the hands, and which they believe has resulted in the fact, which, they are of opinion, will be the result of the practice, if it be continued as at present. The hands receive for the shaking out or conditioning the tobacco, two dollars or two dollars fifty cents for each hoghead, and make a considerable

rable amount during the year; and inasmuch as it is done in most instances without the knowledge of the inspector, and will, if allowed, and the hands are dishonest, lead to fraud, it is thought best to prohibit its being done by law.

The committee's attention was directed to the law regulating the sale of scrap tobacco; whether the present law might not be abolished with advantage to the interest of the State. They are of opinion an important change can be effected by the repeal of said law, and have the testimony of the inspectors of the warehouses themselves in corroboration of their opinion. This, it is believed, opens the door to fraud and dishonesty, and calls loudly for a speedy change in the practice. They believe also, that whereas the State now receives for the sale of these scraps, after the deduction of the wharfinger's 20 per centum commission, but a small sum for the sale of the scraps accumulated in the warehouses,—that if the law were abolished, and another passed, directing, that the scraps be packed up into hogsheads, by a selection of quality and placed in the hands of a commission merchant, or sold by the inspector, that a considerable amount would be saved to the tobacco fund annually. Besides, the present regulation of selling the scraps in bulk, and allowing the hands of the warehouses to pack them up for the purchaser at a certain price per hogshead, is a practice leading to dishonesty in the hands, as the more hogsheads they pack up the more dollars they receive in pay, and they may hence be induced to purloin other tobacco to make the more hogsheads, to get more money. One of the inspectors informed the committee during the investigation, that he had detected some of the hands of his warehouse in stealing tobacco, to pack up in hogsheads, in the way above described, and that he discharged them immediately.

There are many other points to which the attention of the committee was directed, and which might here be remarked upon, connected with the examination and the subject of the tobacco inspections, but they have already extended this report beyond its contemplated length; and they will reserve such suggestions and recommendations for other reports by bill or otherwise; and propose such alterations and amendments in the existing laws as they believe will be a saving to the funds of the tobacco inspection of a considerable amount, and at the same time protect the interest of all concerned.

FISH INSPECTION.

The committee next proceeded to examine into the character of the fish inspection in the city of Baltimore, and from a thorough and laborious investigation of the subject, they have unanimously come to the conclusion that an entire revision of the inspection laws, relating to fish, is necessary.

The testimony of some of the most respectable merchants in Baltimore, who are largely interested in this branch of commerce, has been taken upon oath and is herewith presented. All the gentlemen who were summoned before the committee, in connection with this subject, are men of undoubted veracity, and the committee are willing, without further comment, to let the testimony speak for itself.

MR. JAMES GEORGE, sworn. Is a dealer in fish, little confidence felt by him in the present inspection. There is a manifest want of care on the part of the inspector or inspectors. Many instances of superficial examinations have come to his knowledge. The fish trade of Baltimore, is chiefly carried on with Ohio and Pennsylvania, but the bad character of inspection in this city, prejudices dealers very considerably among their western and other customers. To insure to themselves a good article they are compelled often to examine and inspect for themselves. The character of fish inspection has certainly much deteriorated for the last few years, and requires legislative revision. Badly conditioned barrels, with both open and loose staves, are frequently passed with the inspector's mark upon them, when they ought to have been condemned. Respecting herring inspection particularly, this department is materially deficient and the examination very superficial. Too much salt is packed along with the fish, especially as it respects shad.

MR. ANDREW GREGG, sworn. Is likewise a dealer in fish. The character of the inspection is at present as bad as it possibly can be, and can bear no comparison to other inspections. No confidence is felt by dealers, and not the least doubt exists in his mind of a secret combination between the inspector and fisherman. With respect to one of the inspectors, Mr. Willet, *he believes him to have passed fish knowing them to be bad.* Is of opinion that three inspectors would be quite sufficient to conduct the business. To his own knowledge three of the four inspectors had gone home, but knows nothing respecting one buying the other off. Names of the fishermen are generally on the barrel. Mr. Green is a very good inspector in his opinion. The witness purchases his brands in preference. Thinks that the supervisory system observed in flour inspection, should be adopted and would doubtless prove highly advantageous to this department of our trade.

MR. CHASE, of the firm of Kirkland & Chase, sworn. Deals extensively in fish. Lately the character of fish inspection has been in a very bad condition, so that dealers can do just as well without it. Mr. C. trading in this article to the West Indies, found the greater part of fish shipped for that market very soon spoiled, and obliged to be thrown away though passed as No. 1. He thinks Mr. Green is a good inspector. Has never seen inspectors weigh shad as they do in the northern cities, especially Boston, where they are first taken out of the barrel and properly assorted. Dealers must pay ten cents per barrel on shad, the same on mackerel, which is entirely too much in his opinion, and three cents per barrel on herring. Three inspectors he thinks quite sufficient to transact the business of inspections. The character of flour inspection is very good. The inspector general of flour, has the power of suspending his assistant inspectors. This system should be applied to fish inspection, for as at present conducted, the trade is more injured than benefited. Mr. C. has no reason to believe that a combination exists between the inspector and fisherman, but that the bad character of the inspection rather results from the ignorance of the inspectors employed, and the system generally.

MR. THOMAS IRWIN, affirms. That he packs up fish and sends them to the city. Is of opinion that the fault of inspection is to be found more in the incompetency and want of judgment in the inspectors than in corruption. Has himself observed fish that actually smelled, passed as No. 1. Mr. I. has a fishery on the Potomac, and is an extensive curer of fish. Thinks that mackerel and all eastern fish are packed with too much salt, though shad requires much salt in packing. Is of opinion that to make the inspector responsible for his inspection would be too heavy a requirement of him, and that he would probably find it very difficult to procure the required security. Mr. I. does not pay much respect to the inspector's mark in trade. If air holes are left in the barrells the fly which is so peculiarly injurious to fish, is likely to enter. Thinks that four inspectors are too many, and that three could effectually attend to the whole business. He concluded by relating several instances of the bad effect of the present system.

JAMES C. SELLMAN, sworn. The present system of fish inspection could not be in a worse condition than at present, and requires an entire revision. This results from the incompetency of the inspectors as he believes, excepting Mr. Green, whom he holds competent. A less number of inspectors could attend to the business. In one season of the year he thinks *one* would be sufficient, as *three* certainly would be for the whole year. Is of opinion that there ought to be one general inspector in the manner of flour inspection, with two deputies giving bonds, and thinks that persons to give the required security could be procured. Fish should *stand under shed* a day or two before inspection. For

this purpose a house similar to those across the basin should be built by the State in some convenient location in the city, as for instance at the City Block, which he supposes could be done at a cost of from not more than 8 to \$10,000. Storage and wharfage to be charged by the State, would cover the expense besides operating as an advantageous revenue to the State, or to the city if it undertakes it, for the less fish are exposed to the weather the better for them. He observes that fish are not properly cured in the first place; and secondly, packed in bad casks or barrels. If they are well cured, and afterwards pickled and then packed, they can go to the East Indies and back again, remaining perfectly healthy. 60,000 barrels herrings were inspected for the last 2 years, 10,000 barrels mackerel were inspected in last year, and 10,000 barrels shad for the same period.

From the present deplorable state of this system, the trade suffers immensely. Fish inspection at Boston stands very high. The inspector there is made personally responsible. Barrels here are generally in a miserable condition, though the law prescribes as respects herrings especially, five-eighths well seasoned staves, which is now overlooked by the inspector.

Mr. JACOB AYRES, sworn. Is engaged in the fish business. The present character of the inspection of this article is very indifferent. No confidence felt in the inspector's brand among dealers. He has often been obliged to take fish out of the barrel though passed as No. 2, when they should have been condemned. There is no confidence felt by him in any one of the inspectors. Mr. Hanna's brand is so notorious that no one will purchase it. Mr. Ayres states that he often received back fish he had sold his customers, from courtesy, and with a view of preserving his interests, though the fish were passed as good by the inspector. The present inspectors in his opinion are incompetent judges. Mr. A. confirms the testimony of the preceding witnesses, that a similar system to the flour inspection would result beneficially to the trade. An inspection house would be very serviceable in some convenient situation in the city.

The committee find that it has been the practice of one or two of the inspectors to "buy the others out," so that the work of four inspectors has been done by two only, and at the present time, the whole of the inspection is performed by Mr. Green.

This practice should no longer be permitted. The committee are satisfied that three inspectors at least are necessary to perform the duties required of them by existing enactments.

The inspectors should be compelled to perform the duties enjoined upon them by law, and should be held responsible for the faithful performance of those duties.

The inspectors should also be made more independent. The door to favoritism should be closed; and to effect this object, the fees arising from the inspection ought to be divided equally among the inspectors.

The committee are engaged in the preparation of a bill which they flatter themselves will remedy many of the evils complained of if passed into a law.

During the stay of the committee in Baltimore, they were invited by Columbus O'Donnell, Esq., President of the Gas Company, to visit the company's works and examine the meter invented by Crosley for the measurement of gas; and as a case had been referred to the committee to report a bill for the appointment of an inspector and measurer of gas in the city of Baltimore, the acceptance of the invitation came within the province of the committee's duties.

From the verbal explanations made upon the ground by Mr. O'Donnell, the President, and Mr. Mowton, the Secretary of the Company, it would be impossible for the committee to convey a correct idea of the character of the gas meter.

The committee have therefore taken the liberty to embrace in this report the following communication from the Secretary of the Company, which contains some valuable information in reference to this matter, not now in possession of the public.

Baltimore, February 1st, 1842.

FRANCIS GALLAGHER, Esq.

Chairman of the Committee on Inspections.

Sir,—In conformity with the suggestion of a member of the committee, I take the liberty of presenting to their consideration some facts relative to the Gas Light Company of Baltimore, which it is presumed may have a bearing on the question of reporting a bill, authorizing the City Councils to appoint an inspector of meters.

The Gas Light Company had its origin under an ordinance of the city, dated 17th June 1816, which ordinance was ratified by the Act of Assembly of December session 1816, chap. 257. At this time gas was universally sold, at so much per burner, according to the quantity that the particular kind of burner was supposed to consume in a given time. This mode of sale permitted of numerous abuses, to remedy which, mechanical and scientific ingenuity were long tasked in vain. The bat wing burner, for instance, was enlarged by a file and a drill, performed the same office for those with circular openings. It was a frequent practice too, to leave the gas burning all night as a protection against thieves, and in one or other of these methods, double and treble the quantity of gas was used, that the manufacturer was paid for supplying. It was soon seen, that if the whole quantity consumed was averaged among the whole number of consumers, those who used the gas carefully, would pay too much, and those who used it lavishly, would pay too little. It therefore became an object of equal interest to the manufacturers and the careful consumers, to devise a method, by which the quantity each consumer used, could be ascertained. This was at length accomplished by Crossley, the manufacturer of the gas meter. Wherever gas is

used in Europe or America, this instrument is employed in measuring it, and a strong evidence of its truthfulness may be found in the fact, that Crossley still continues to be the same manufacturer of meters in Great Britain, where the use of gas has become so extensive, as to hold out the highest rewards to whoever could invent a better machine to supersede the old one.

In this country too, where a better meter than Crosley's would be a fortune to the inventor, the ingenuity of the country, though constantly directed to that object, has as yet been unable to devise a more correct mode of measurement. Experience on both sides of the Atlantic has fully proved the general accuracy of the gas meter, and I beg leave to recall to the recollection of the committee, the mode by which that point was shown to be established at their recent visit to the gas works.

If there is fraud any where, which could militate against the interests of the consumers, it must proceed from some intentional act of the manufacturer. But there is no conceivable motive for perpetrating a fraud on their part, because by raising the price of gas—which they have a right to do—they could increase their profits honestly. It could make no difference to the manufacturer, nor to the consumer, if 40 feet of gas was charged at \$30 per hundred, or 30 feet at \$40. The only effect then, which the appointment of an inspector would have, would be to increase the cost of gas, for the cost of inspection would necessarily be added to the other expenses, since the profits are already too small to admit of further diminution, having never exceeded 7 per cent., and averaging less than 6 per cent.

That the consumers do not need, and but few of them have ever asked, the interposition of the Legislature or of the Councils to protect their interests, may be safely inferred from the fact, that the quantity of gas made daily can be, and is accurately ascertained by the measurement of the gasometers in which it is stored, quite as readily as the contents of any other cylindrical vessel can be computed, without any reference to the machinery of the meter. Now, if the meters throughout the city, registered more gas than passed through them, the sum of their registers would show a larger quantity of gas than the gasometers at the works had contained. This however is not the case; on the contrary, the meters throughout the city register 16 per cent. less than the gasometers are known to have held, which is the amount of gas actually made and not paid for. This too is the experience of all other gas companies, after meters have been some time in use; for as they become old, it frequently happens from various causes, that gas passes through them without being registered, and is consequently used without being paid for. Some of these causes, it will be recollected by the committee, were pointed out to them at their late visit.

I have already alluded to the rate of profit on the manufacture of gas, which, it is acknowledged on all hands, is sufficiently low; nor can it be materially increased, for instead of possessing a mo-

nopoly, which would enable it to oppress the community, the Gas Company has always to sustain a sharp competition with the various other modes of furnishing light, and can only hope to retain its present customers, or procure new ones, by supplying a safer, better or cheaper article. Nor can the company expect to collect any disputed account, without being subjected, as they have heretofore been, to the necessity of proving by disinterested testimony, before a competent tribunal, not merely the accuracy of the mode of measurement, but the correctness also of the particular meter, from which the account in question may have been formed.

The avowed object of the few, who desire the appointment of an inspector, is, to reduce the cost of gas, by diminishing the standard of measure. I have shown that the profits are small, smaller it is believed than other manufacturers would think sufficient. The attempt to reduce the cost of gas to the consumers, by the reduction of these slender profits, may therefore fairly be deemed unreasonable. Nor could the attempt succeed, for any diminution of the standard of measure would necessarily occasion a corresponding augmentation of price, and the public and the Gas Light Company would thus be saddled with the expense and trouble of an inspection, without producing any benefit whatsoever to either party.

For these and other reasons which might be adduced, it has not been thought expedient to establish an inspection of gas meters in any city in Europe or America, although in some of those cities a much larger quantity of gas is used than is consumed in this city. Nor is the omission to establish an Inspection attributable to a want of attention to the matter. The subject has been maturely considered, and the proposition to establish such an office deliberately rejected. Such I trust will be the result in this case, and the Gas Company, which was the first to introduce into this country the benefits of gas lights, and has never received, nor expected any thing more than a very moderate compensation for the capital invested and the risk incurred, will not be unnecessarily burthened by the creation of a useless office.

Very respectfully, yours,

JAMES MOWTON,
Secretary Gas Light Co. Baltimore,

All of which is respectfully submitted,

FRANCIS GALLAGHER, *Chairman.*

